

Minutes City Council Work Study Session November 3, 2016

Minutes of the Tempe City Council Work Study Session held on Thursday, November 3, 2016, 4:00 p.m., in the City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

COUNCILMEMBERS PRESENT:

Mayor Mark W. Mitchell
Councilmember Kolby Granville
Councilmember Lauren Kuby
Councilmember David Schapira

Vice Mayor Robin Arredondo-Savage
Councilmember Randy Keating
Councilmember Joel Navarro

STAFF PRESENT:

Andrew B. Ching, City Manager
Judi Baumann, City Attorney
Brigitta M. Kuiper, City Clerk
Craig Hayton, Parks Manager
Shelly Seyler, Deputy Public Works Dir. – Transportation
Cecilia Robles, Municipal Budget Office Director

Ken Jones, Deputy City Manager – Chief Financial Officer
Steven Methvin, Deputy City Manager – Chief Operating Officer
Elizabeth Higgins, Mayor and Council Chief of Staff
Don Bessler, Public Works Director
Julian Dresang, Traffic Engineer
Various Department Heads or their representatives

Mayor Mitchell called the meeting to order at 4:11 p.m.

Call to the Audience

Mayor Mitchell announced that there is a one minute and 30 second time limit per speaker, due to the number of speakers. He asked speakers to hold their comments regarding the McClintock Drive street reconfiguration impacts until after the staff briefing.

Wellington “Duke” Reiter, Phoenix, Executive Assistant to the President of Arizona State University (ASU), announced the 50th anniversary of the conceptualization of Tempe Town Lake, in 1966, by ASU students and James Elmore, founding dean of the ASU College of Architecture. He conveyed support for naming the Tempe Town Lake pedestrian bridge after Dean Elmore.

David Scheatzle, Tempe, Rio Salado Architecture Foundation representative, spoke in favor of the James Elmore Bridge naming request. He discussed the vision ASU students had of Tempe Town Lake and Dean Elmore’s involvement in the Rio Salado Project, including developing the Lake.

Issue Review Session Items

Facility Naming Request – James Elmore Bridge (Pedestrian Bridge – West end of Tempe Town Lake), and Proposed Historic Markers and Location

Elizabeth Higgins, Mayor and Council Chief of Staff, stated that the Rio Salado Architecture Foundation has requested that the pedestrian bridge at Tempe Town Lake be named the “James Elmore Bridge”. In conjunction with the original naming request, the Rio Salado Architecture Foundation has also requested consideration of an interpretative concept consisting of four historical plaques and additional landscaping, to coincide with the 50th anniversary of the ASU School of Architecture’s Vision Project.

Craig Hayton, Parks Manager, delivered a slide presentation providing background information on the James Elmore Bridge naming request, which was reviewed and approved by the City's Parks, Recreation, Golf and Double Butte Cemetery Advisory Board (PRGDB). The proposed site plan includes a plaque dedicated to Dean Elmore, additional interpretative plaques to represent the historical eras of the Rio Salado Town Lake, and landscaping elements. All of the plaques and landscaping would be financed through fundraising, with no up-front costs to the City. Letters of support were provided to the City Council.

Councilmembers accepted the PRGDB's recommendation and agreed to schedule the James Elmore Bridge naming request for an upcoming Regular City Council Meeting. Councilmembers also expressed support for referring the overall interpretative design concept to the PRGDB for review and location recommendations. A bike share location and the proposed biomedical campus should also be taken into consideration.

McClintock Drive Street Configuration Impacts

Mayor Mitchell announced that audience members have a one minute and 30 second time limit per speaker, for this agenda item.

John Morris, Tempe, spoke in opposition to the McClintock Drive bicycle lanes due to the worsening traffic conditions. The City's Bike Boulevards BIKEiT system takes a more rational approach to expanding bike facilities. Tempe has been designated a Bicycle Friendly Community since 1997; focus is needed on other priorities.

Cliff Anderson, Tempe, spoke in support of the McClintock Drive bike lanes. He discussed factors that contribute to traffic congestion, funding allocated for bicycle infrastructure improvements, and finding ways to mitigate growth-related traffic impacts.

Colin Tetreault, Phoenix, Tempe Sustainability Commission member, spoke in support of the McClintock Drive improvements, including bicycle, transit, and safety measures.

Lee Shapiro, Tempe, spoke in opposition to the McClintock Drive bike lanes due to the low usage, increased traffic congestion and pollution.

Jon Greer, Tempe, discussed his observations of the number of vehicles compared to the number of bicyclists on McClintock Drive, with the majority of the bicyclists riding on the sidewalk. McClintock Drive is a dangerous traffic corridor.

Merrill Darcey, Tempe, spoke in favor of extending the McClintock Drive bike lanes to Rio Salado Parkway, and installing a landscaped median on McClintock Drive.

William Terrance, Tempe Bicycle Action Group (TBAG) member, conveyed support for more bicycle infrastructure and transportation alternatives. Public safety has improved along McClintock Drive.

Ed Hooten, Tempe, spoke in opposition to the removal of the third southbound traffic lane to accommodate bicycle lanes on McClintock Drive. Many bicyclists prefer to ride on the sidewalk, for safety reasons. The data indicates that a majority of residents are opposed to the bike lanes.

Jenn Stephens, Tempe, expressed concerns regarding increased traffic congestion in neighborhoods near McClintock Drive and Southern Avenue. The bike lanes are not an effective use of public resources.

Judy Hodges, Tempe, spoke in opposition to the McClintock Drive street reconfiguration because of increased traffic congestion that has adversely impacted neighborhoods. She voiced concerns about the traffic study, increased pollution, and growth impacts.

Brian Fellows, Tempe, Tempe Transportation Commission member, spoke in support of the McClintock Drive bike lanes because they are consistent with Tempe's General Plan 2040, have led to a decrease in pedestrian and bike accidents and injuries, and, they encourage people to bike and walk.

Gloria Adams, Tempe, suggested removing the trees between the sidewalk and wall along McClintock Drive to accommodate bicycle use; restoring the traffic lane on McClintock Drive to mitigate traffic congestion and facilitate access to neighborhoods; and, providing a bike lane on the Arizona State University (ASU) campus to connect to exterior destinations.

Rene Larson, Tempe, stated that more time is needed to analyze bike safety and crash data. She voiced concern that McClintock Drive is too busy for cyclists; bike lanes will result in more accidents.

Dave Wells, Mesa, spoke in support of the McClintock Drive bike lanes, which provide a buffer from vehicle lanes. He noted the importance of alternative modes of transportation and the need for a broader bike strategy.

Claudia Hilton, Tempe, spoke in opposition to the McClintock Drive bike lanes due to increased traffic congestion during peak travel times and because less than 15% of Tempe residents use the bike lanes. She expressed support for bicycle use on the sidewalks, especially south of the US 60 freeway.

Chris McCauley, Tempe, spoke in support of the McClintock Drive bike lanes for safety reasons. He voiced support for adding more bike lanes and improving communication between motorists and cyclists.

Judy Torrey, Tempe, spoke in support of alternative modes of transportation. She noted that the removal of a vehicle traffic lane on McClintock Drive has caused traffic congestion. She questioned why the traffic studies were not conducted during heavy volume traffic timeframes and asked if traffic signal timing could be changed to improve traffic flow.

Trevor Pan, Tempe, spoke in support of the McClintock Drive bike lanes because they have improved bicyclist safety between Broadway Road and Apache Boulevard.

Paulette Delgadillo, Tempe, stated that the McClintock Drive bike lanes have increased traffic congestion; however, the slower traffic has increased safety for bicyclists and pedestrians. She supports moving the bike lanes to the sidewalk areas.

David Lucier, Tempe, discussed his bicycling experiences and voiced support for expanding the McClintock Drive bike lanes to accommodate population growth.

Steve Rath, Tempe, spoke in support of modifying the sidewalks from Apache Boulevard to Guadalupe Road to accommodate pedestrians and bicyclists. There are vehicles that stop and park in bike lanes.

Gretchen Reinhardt, Tempe, representing the Escalante and Alegre neighborhoods, discussed the need to provide multi-modal transportation options and enhanced neighborhood connectivity. Railroads and freeways are barriers to neighborhood connectivity.

Dorinda Lang, Tempe, spoke in opposition to the McClintock Drive bike lanes due to safety concerns for bicyclists and impacts to emergency vehicle movement.

Shaun Ylatupa-McWhorter, TBAG member, spoke in support of the McClintock bike lanes, urban living, and multi-modal transportation. He voiced concern for the safety of bicyclists that use the bike lanes.

Kathleen McNamara, Tempe, spoke in support of the McClintock Drive bike lanes and emphasized the need for continuous bike lanes throughout Tempe. She voiced safety concerns about motorists' awareness of cyclists.

Mario Torregrossa, Tempe, spoke in support of the McClintock Drive bike lanes and bike paths throughout neighborhoods. He avoids traveling on McClintock Drive due to safety concerns.

Clifford Hudson, Tempe, spoke in support of the McClintock Drive bike lanes and extending the bike lanes to Rio Salado Parkway. Bike lanes increase bicyclists' safety.

Catherine Brubaker, Tempe, discussed her experiences with traumatic brain injuries, riding an adaptive cycle, and using light rail. She voiced support for expanding and connecting bike lanes.

Roberto Paredes, Phoenix, Tempe business owner, spoke in support of expanding the McClintock Drive bike lanes and safety features; the number of bicyclists will increase over time. He noted that Rural Road without bike lanes is as congested as McClintock Drive with bike lanes.

Brandon Imhoff, Tempe, Bike Saviours Collective representative, spoke in support of the McClintock Drive bike lanes and extending the bike lanes to Rio Salado Parkway to increase bicycle ridership. He stated that he regularly uses various modes of transportation.

Darrell Daniels, Tempe, spoke in opposition to the McClintock Drive street reconfiguration due to increased traffic congestion and pollution. He voiced support for removing the bike lanes and modifying the sidewalks to accommodate bike traffic.

Susan Conklu, Tempe, spoke in support of the McClintock Drive bicycle lanes. She uses the bike lanes as they provide a safer alternative to cycling on the sidewalk. She expressed support for more bike connections, intersection improvements to improve traffic flow, and widening McClintock Drive to accommodate bike lanes.

Dana Bennewitz, Tempe, spoke in support of the McClintock Drive bike lanes and for extending the bike lanes to Rio Salado Parkway.

Jennifer Arroyo, Tempe, spoke in opposition to removing vehicle lanes to add bike lanes on McClintock Drive. Traffic and freeway access are hindered. Instead of using the bike lanes, bicyclists ride on the sidewalk.

Kristian Doak, Tempe, spoke in support of the McClintock Drive bike lanes. The bike lanes provide safer routes for recreational bicyclists and bike commuters, and they add long-term value to the City.

Matt Brown, Tempe, spoke in support of bike lanes; however, he voiced opposition to removing vehicle lanes to add bike lanes. He would prefer to place bike lanes near sidewalks. There are more motorists than bicyclists on roadways.

Joe Struttman, Tempe, Pecos Action Group (PAG) member, spoke in support of the McClintock Drive bike lanes. He noted the dangers of cycling on the sidewalk and emphasized the importance of education regarding road safety.

Alana Schrenk, Tempe, PAG member, spoke in support of the McClintock Drive bike lanes because they provide a safer and faster route for bicyclists as opposed to riding on the sidewalk, and support for education regarding driving and biking safety.

Brian Perkins, Tempe, stated that he does not bike in Tempe because it is too dangerous. He emphasized the importance of increasing bicyclists' safety to encourage more people to bike.

Thomas Barr, Tempe, Director of Operations at Local First Arizona, spoke in support of the McClintock Drive bicycle lanes because they create long-term economic and sustainability benefits, and increase local business revenue.

Connor Descheemaker, Phoenix, Phoenix Complete Streets Advisory Board member, spoke in support of the McClintock Drive bicycle lanes. Bike lanes provide a safe route for bicyclists and promote spending at local businesses.

Ryan Guzy, Tempe, spoke in support of the McClintock Drive street reconfiguration due to its safety features; conformance with good transportation planning and engineering practices; and, consistency with the long-term vision of Tempe.

Therese Lucier, Tempe, stated that she regularly uses the McClintock Drive bike lanes and supports a long-term bike plan.

Zoe Stein, Phoenix, ASU student, spoke in support of the McClintock Drive bike lanes because they provide transportation options and improve public health.

Tim Tagtmeyer, Tempe, stated that he uses the McClintock Drive bike lanes and has observed a general increase in vehicle traffic on this road. He discussed the dangers of cycling on the sidewalk and on the street, and suggested reducing the speed limit to increase safety.

Karyn Gitlis, Tempe, spoke in support of the McClintock Drive bike lanes.

Lloyd Thomas, Tempe, spoke in support of the McClintock Drive bike lanes and safe connectivity of bike lanes for traditional bicycles and electric bikes.

Janice Williams, Tempe, voiced opposition to the McClintock Drive bike lanes due to increased traffic congestion and the impact on neighborhood access. She voiced support for bicycling and suggested developing a solution that addresses the needs of motorists and bicyclists and the need to educate the public.

Sarah Grumbley, Tempe, voiced opposition to removing the McClintock Drive bike lanes because it would not be cost effective. She would be in support of a compromise, at an increased cost, if it preserved the bike lanes.

Shannon Jenkins, Tempe, voiced support for the McClintock Drive bike lanes because they provide a safer route for bicyclists and allow pedestrians use of the sidewalk. She stated that she understands the rush hour traffic congestion concerns.

David Huizingh, Tempe, expressed concern that the bike lanes on McClintock Drive are dangerous; they accommodate a disproportionately low number of bicyclists, compared to motorists. Bike lanes should be correctly designed for streets with lower traffic volumes and safer speeds. His preference is to place bike lanes on half-mile streets, such as Dorsey Lane.

Councilmember Kuby stated that bike commuters have the right to travel in an efficient manner by utilizing arterial streets. Bike commuting through neighborhoods and half-mile streets would make commutes lengthy. Mr. Huizingh stated that the benefits of providing bike lanes on neighborhood and half-mile streets would outweigh the result of a longer bike commute.

David Blakeman, Tempe, discussed the danger of riding a bicycle on the arterial roads. He voiced support for encouraging the public to use alternative modes of transportation to create a healthier environment.

Garrett Mack, Tempe, spoke in support of the McClintock Drive bike lanes because they encourage people to travel by bike and provide a safer environment for motorists and bicyclists. He drives and bikes on McClintock Drive.

Victoria Polchinski, Tempe, spoke in support of the McClintock Drive bike lanes; she commutes by bicycle. She discussed the data collected and noted that it did not accurately reflect the bike lane usage. She voiced support for traveling during off-peak travel times to avoid traffic congestion, using alternative modes of transportation, and providing public education to improve bicycle safety.

Marilyn Murphy, Tempe, voiced support for the McClintock Drive bike lanes because they provide a safe southbound bicycle route. Multi-modal travel options should be provided to accommodate increased development in the area.

Tyler Viliborghi, Tempe, voiced support for the McClintock Drive bike lanes because they provide a safer route for bicyclists. The data does not support a significant inconvenience to vehicle travel. He commutes by car and bicycle.

Rondi Andreassen, Tempe, spoke in favor of preserving the bike lanes on McClintock Drive, educating motorists and bicyclists about safety, and installing additional visuals, such as paint, to the bike lanes to address safety concerns.

David Rice, Tempe, voiced support for the McClintock Drive bike lanes and improving pedestrian infrastructure.

Lyle Begiebing, Tempe, voiced support for the McClintock Drive bike lanes because they increase bicyclists' safety and help prevent accidents.

Heidi Lynch, Tempe, voiced support for the McClintock Drive bike lanes and how they serve as a buffer from vehicle lanes. She bikes for recreation and transportation and expressed appreciation for implementing measures to make Tempe a more sustainable, forward-thinking community.

In response to a question from a Councilmember, Ms. Lynch stated that increasing connectivity between bike lanes and providing bike routes along Southern Avenue and Baseline Road would encourage ridership.

Neal Thomas, Tempe, stated that he travels by car and bicycle. Bike lanes help maintain Tempe's status as a progressive community. He discussed the importance of maintaining the safety of bicyclists and motorists.

Benjamin Mangilit, Tempe, spoke in support of the McClintock Drive bike lanes because they provide a safe bicycle route.

The meeting was recessed at 5:59 p.m. for the Regular Council Meeting and reconvened at 7:28 p.m. with all Councilmembers present.

Michael Hales, Tempe, spoke in opposition to the McClintock Drive bike lanes due to increased traffic congestion. He suggested modifying the sidewalk to accommodate bike travel, or providing two directional bike lanes on one side of the road and restoring the third vehicle lane. He also suggested installing a traffic light at the McClintock Manor neighborhood entrance.

Andrew Lane, Tempe, voiced support for the McClintock Drive bike lanes, which he utilizes. He discussed the pollution that is generated by vehicular traffic.

Shahin Rezai, Tempe, spoke in opposition to the McClintock Drive bike lanes because they have increased his commute time, increased traffic hazards, and because they benefit a small number of bicyclists. The residents were not properly notified of the street reconfiguration project. More appropriate locations for bike lanes should be considered.

John Devine, Tempe, stated that McClintock Drive should be returned to its original configuration. He noted that the 2004 traffic study was conducted when ASU was in session and the 2014 traffic study was conducted during ASU's spring break.

Phillip Devine, Tempe, spoke in opposition to the McClintock Drive bike lanes because his commute time has increased. The bike lanes are not being used and they hinder bus traffic.

Preston Swan, Tempe, spoke in support of the McClintock Drive bike lanes and bicycle infrastructure improvements.

Zina Alam, Tempe, spoke in support of the McClintock Drive street reconfiguration; she travels McClintock Drive daily. The negligible increase in traffic congestion is acceptable in return for the decrease in traffic accidents. She urged staff to wait until the Tempe bike count is conducted in the spring, 2017, to collect additional data on bike traffic.

Denise Johnson, Tempe, discussed the potential impacts to area schools if the bike lanes from McClintock Drive are removed and potential lawsuits against the City related to bicycle accidents.

Christina Hudson, Tempe, spoke in support of the McClintock Drive bike lanes and continuing to make bicycling infrastructure enhancements and safety improvements.

Mayor Mitchell closed the public comment portion of the Issue Review Session, and asked staff to respond to the comments.

Don Bessler, Public Works Director, explained that staff strives to balance social equity and justice, financial stewardship, and the environmental impacts of each project. Staff is also committed to a code of ethics regarding public safety. Staff advertised and held workshops to inform the public about the McClintock Drive street reconfiguration project.

Shelly Seyler, Deputy Public Works Director – Transportation, delivered a slide presentation regarding the McClintock Drive street reconfiguration project. She detailed the mission of the Transportation Program. The McClintock Drive street

reconfiguration project is consistent with the Transportation Program's mission, and with the goals of the General Plan 2040 and Transportation Master Plan, to create a multi-modal transportation system.

Julian Dresang, Traffic Engineer, discussed the travel lane configuration, signal timing modifications, and bollard pilot project. He also presented data on vehicle and bicycle traffic counts, travel times, and crashes before and after the street reconfiguration. The data collected during the summer may have under-represented normal traffic patterns. The data included bicyclists riding in the bike lanes; the data did not include cyclists riding on sidewalks.

In response to questions from Councilmembers, Mr. Dresang explained that northbound and southbound bicycle traffic was videotaped at two intersections: 1) McClintock Drive/Southern Avenue, and, 2) McClintock Drive/Baseline Road. Staff is exploring various technologies to collect additional data. Mr. Dresang explained how average travel times were collected and broken into one-mile segments. The crash data included police-reported crashes involving vehicular/pedestrian data, but the data did not include bicycle/bicycle or bicycle/pedestrian crashes. Staff can provide Councilmembers with a breakdown of the crash data. The majority of north-south streets in Tempe experience significant traffic delays during the peak travel times. Decreased road capacity, fuel prices, and other variables, affect traffic volume.

Mr. Dresang reviewed the public comments received between April, 2015, and October, 2016. Approximately 60% of respondents were in favor of and 40% were opposed to the bicycle lanes. 55% of online survey respondents and 51% of telephone interviews of residents were opposed to adding bike lanes to major roads if it required removing a lane of traffic. The survey questions were about bike lanes in general, and were not specific to McClintock Drive. The survey did not ask whether residents would support or oppose removing a bike lane to add a vehicle lane. Councilmembers requested Geographic Information System (GIS) mapping of the survey results related to bike lanes.

Councilmembers discussed the perceptions of motorists versus bicyclists. Councilmembers also emphasized the importance of ensuring the safety of all travelers, even if it increases commute times. Residents should be asked their opinion on the potential impacts of reducing a major roadway from three lanes to two, and later restoring the third lane. Several years of data is needed to accurately analyze the issues. Further discussion is needed to consider stakeholder concerns and to reach a compromise.

Mr. Dresang reviewed the following options for City Council's consideration:

- A. Continue to collect data and track safety.
- B. Restripe southbound McClintock Drive from Apache Boulevard to Broadway Road, and remove bike lane.
- C. Restripe one-mile segments.
- D. Restripe entire corridor and remove bike lanes.
- E. Narrow travel lanes, remove buffers, and move curbs.
- F. Widen McClintock Drive to accommodate bike lanes.
- G. Add dedicated bike paths behind the curb.
- H. Improve parallel bike routes.

Councilmembers and staff discussed the project status and funding options to install a bicycle boulevard along Country Club Way between Warner Road, south of the ASU Research Park and Tempe Town Lake [Country Club Way Pedestrian Improvement and Bike Boulevard Project]. Staff will provide additional information to the City Council about this project.

Councilmembers conveyed support for continuing to be a bicycle-friendly community. The City Council values the public input and feedback. In April, 2016, less than 1% of the 5,800 households notified attended a public meeting regarding this project. Staff should utilize the *Tempe Involving the Public* [manual] process to increase public input and engagement in future projects.

Councilmembers continued discussions on the need to invest in bicycling infrastructure improvements to accommodate commuter and recreational cyclists. Councilmembers also requested information regarding usage of the bike/pedestrian bridges on College Avenue and on County Club Way, located over the US 60 freeway. Ms. Seyler reported that 60% of bicyclists are not comfortable riding on major roadways. The bike lane improvements on McClintock Drive were intended to provide a safe environment for bicyclists of all skill levels. Adding a northbound bike lane along McClintock Drive would require street modifications due to the railroad tracks.

Councilmembers and staff discussed various street reconfigurations and their impacts on vehicle and bike lanes, traffic congestion, and traffic flow. Councilmembers also noted that 11 of the 150 miles of bicycle paths in Tempe are buffered; more discussion is needed regarding standards for buffered bike lanes. Police and Fire Medical Rescue staff should provide input on street reconfigurations.

Councilmembers discussed the project timeframe for an east-west street that could accommodate bike lanes. Concern was raised that the “candlesticks/bollards” do not assure bicyclists’ safety when they are damaged by vehicles.

In response to a question, Mr. Bessler noted that the majority of the crashes at the intersection of Baseline Road and McClintock Drive are vehicle/vehicle or vehicle/object, as opposed to crashes involving a bicycle.

Based on the discussion, at an upcoming Work Study Session, staff will present a proposed process to explore and develop design concepts and solutions to preserve the McClintock Drive bicycle lanes, reduce travel times, improve traffic flow, and decrease traffic congestion, taking into consideration the entire McClintock Drive corridor. With the assistance of a consultant, the process will include the following:

- Continue data collection of peak and off-peak traffic volumes/travel times, and safety issues.
- Explore options to increase bike lane safety and extend the bike lanes to Rio Salado Parkway.
- Evaluate potential design options to reduce travel time for drivers on a segment-by-segment basis along McClintock Drive, while retaining the north-south bike routes.
- Analyze financial impacts and funding sources related to each option.
- Develop a process for gathering public input; seek input from the Tempe Transportation Commission.
- Incorporate questions related to biking in the annual City of Tempe Community Survey.

Long Range Financial Forecast

Ken Jones, Deputy City Manager – Chief Financial Officer, introduced co-presenter Cecilia Velasco-Robles, Municipal Budget Office Director. Mr. Jones noted that staff will provide the City Council with an updated financial forecast in February, 2017. He reviewed the purpose of the forecast and outlined the timeline and next steps involved in the budget development and adoption process.

Ms. Velasco-Robles reviewed highlights of the financial forecast to include continued moderate economic growth, sufficient funding to improve programs and services, and to continue fair employee compensation adjustments. Forecast assumptions include: continued funding of Arizona Department of Revenue (ADOR) operational costs; continued Highway User Revenue Funds (HURF) sweeps by the State for Department of Public Safety funding; and, detailed economic assumptions. Issues excluded from the forecast include: potential recessionary trends; negative impacts from the transition of sales tax administration to ADOR; legislative adjustments to construction sales tax; and, changes to the Arizona Public Safety Personnel Retirement System (PSPRS) resulting from the pending Arizona Supreme Court case, *Hall et al. v. Elected Officials Retirement Plan (EORP)*.

Mayor Mitchell noted that Tempe uses HURF to fund street improvements. He encouraged residents to contact their State representatives regarding the pending construction sales tax and PSPRS legislation.

Mr. Jones explained that ADOR will begin administering Tempe’s Transaction Privilege (sales) Tax (TPT) business licensing and revenue collection activities in January, 2017. Staff is concerned about the State maintaining Tempe’s current levels of audit assessments and revenue collections, due to recent reductions in ADOR staff levels. City staff and the Arizona League of Cities and Towns are working with ADOR to allow the City to assist with the audits.

Mr. Jones discussed the General Fund and explained staff’s conservative forecasting approach. He noted that personnel costs in fiscal year 2017-18 will increase by a lesser amount than in previous years. Funding may be available to convert the one-time funded personnel positions in Community Development into permanent positions. The General Fund forecast maintains and could potentially expand service levels, and includes a trend analysis on building-related taxes.

Mr. Jones presented highlights of the Water/Wastewater, Solid Waste, and Golf Enterprise Funds, and the Transit, Transportation (HURF), and Performing Arts Special Revenue Funds. He discussed dedicated revenues accounted for in

Special Revenue Funds; revenues restricted by formal contract provisions; and, revenues maintained in Enterprise Funds to fund operations. Recent restrictions implemented by the City Council include:

- Government Property Lease Excise Tax (GPLET) lease and parking revenue – expected annual revenues from \$700,000 to \$1.2 million per year, through 2043.
- Land sale proceeds – expected revenue is variable depending on the market.
- The current restricted balance totals approximately \$1.7 million.
- In the current fiscal year, \$700,000 of the restricted cash was pledged to ensure completion of the McClintock Pool upgrades in the event that the parks and recreation bonds are not approved by voters on November 8, 2016. If the bonds are approved, these funds will not be used.

Mr. Jones asked Councilmembers for feedback on desired outcomes or recommended changes to financial strategies. In response to questions from Councilmembers, Mr. Jones stated that the General Fund has a sufficient fund balance to initially address the State's potential legislative changes. Departments may submit supplemental budget requests for additional operational funding to complete current projects. Additional temporary staff would be required to accelerate the schedule for projects; the City is prohibited from using General Obligation bonds or secondary property tax revenue to fund additional staff. GPLET funds could be allocated to fund one-time personnel budget requests.

Councilmembers requested that staff continue to monitor the following potential budget impacts:

- State legislative activity that could impact the City's budget, including HURF and ADOR funding.
- The Performing Arts tax, which expires in 2020.
- Options available to help accelerate the schedule for the five-year Capital Improvements Program park improvements, including financial impacts.
- The possibility of expanding the Tempe Public Library complex and required staffing resources.
- An integrated approach to address homelessness issues.
- Staff's "red/yellow/green" budget category chart identifying the projects that are funded; projects that may be funded if additional funding becomes available; and, projects that are in unfunded, low-priority categories.

Future Agenda Items

None.

Call to the Audience

Phil Amorosi, Tempe, stated that City staff encourages developers to work with "cultural resource" neighborhoods in designing development projects that are compatible with R-2 or R-3 [Multi-Family Residential] zoning districts. The City needs to provide growth management tools to incentivize developers and reduce conflicts. Compatible design options have not yet been documented.

Committee of the Whole Items

Items ready for City Council Direction or Status Update

Electric Bike Ordinance – City Council Direction

Councilmember Kuby noted that she, Vice Mayor Arredondo-Savage, and Councilmember Schapira participated on this working group. Research focused on best practices in other cities, electric bike (e-bike) travel locations, speed limits, interactions with pedestrians, and definitions for unique types of vehicles. The Maricopa Association of Governments (MAG) is working with People for Bikes on developing language that could serve as a model for regulation of e-bikes across the country.

Councilmember Kuby stated that an ordinance has been drafted, for City Council consideration. Councilmembers discussed various ordinance provisions and suggested that all types of e-bikes be equipped with a speedometer and require the use of a helmet, in compliance with State law.

The City Council agreed to move forward with the proposed ordinance at a future Regular City Council Meeting.

New Items for City Council Consideration

Incentives to Limit R-3 Zoning Development

Judi Baumann, City Attorney, stated that she previously provided a confidential memorandum to the City Council, related to incentives to limit R-3 zoning development.

Councilmembers agreed to not establish a working group, but that staff should provide a presentation to the City Council at the January 5, 2017, Issue Review Session.

Flood Irrigation Rates

Councilmember Granville noted that flood irrigation rates were last increased by 9% in 2004-05, and suggested that a policy be implemented to annually raise the flood irrigation rates by 50% of the rate of inflation. The typical flood irrigation service customer pays 35% to 45% of the cost of the water they receive, while potable water customers pay 100%. Councilmember Granville requested that the City Council move forward with the draft resolution regarding flood irrigation rates for consideration at an upcoming Regular City Council Meeting.

Councilmembers discussed the need for a public discussion and to solicit input regarding proposed increases to flood irrigation rates.

Based on the discussion, Councilmembers agreed to not establish a working group and requested a staff presentation on the Flood Irrigation Program at an Issue Review Session in January or February, 2017.

Items in Progress – updates as needed

City Utility Boxes

Councilmember Navarro requested that this item be removed from *Items in Progress*.

Mayor's Announcements/City Manager's Announcements

Andrew Ching, City Manager, announced that construction of a parklet at Mill Avenue and 7th Street is expected to be completed in February, 2017.

Future Meeting Date:

December 1, 2016, at 4:00 p.m., City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

The meeting adjourned at 10:06 p.m.

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the City Council Work Study Session of November 3, 2016, by the Tempe City Council, Tempe, Arizona.

Mark W. Mitchell, Mayor

ATTEST:

Brigitta M. Kuiper, City Clerk